



# DECODING TAX REFORM

Advising the Advisor

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## STRATEGIES FOR SUCCESS

Decoding Tax Reform

Join AALU's Armstrong Robinson and NFP's Kristin Bulat for a webinar on Tuesday, February 2 at 11am Eastern to discuss Kristin's top three strategic considerations under the new tax law.

[Register Here](#)

**Bottom Line, Up Front**

Congress was in recess this week. Despite the lack of legislative activity in Washington, analysis of last year's tax bill continues apace as businesses adjust to the new tax regime.

## News You Can Use



- [\*\*Pass-Through Businesses Are Rethinking Their Status in Wake of Tax Law\*\*](#)

After last year's tax overhaul, the new treatment of pass-through and the new corporate tax rate have business owners asking themselves how they should structure their businesses. The changes in tax treatment have sent many owners scrambling before a March 15<sup>th</sup> deadline allowing status updates to be retroactive to the beginning of the year.

- [\*\*Tax Regulations at Center of GOP Dispute\*\*](#)

The writing of new regulations stemming from last year's Tax Cuts and Jobs Act has turned into a potential clash between Congressional Republicans. Traditionally handled by the Treasury Department and the Internal Revenue Service, tax regulatory work has a 35-year tradition of being outside full review from the Office of Management and Budget. But, earlier this month, Senators Ron Johnson and James Lankford sent letters to the administration asking for a review of whether OMB should have more oversight.

- [\*\*New York Tax Overhaul Detailed in Governor Cuomo's Plan\*\*](#)

New York Governor Andrew Cuomo submitted his proposed FY 2019 state budget this week, including changes that would make up New York's most sweeping tax

code overhaul in decades. The changes would shift tax liability for many New Yorkers from personal income tax to a new payroll tax and two charitable funds and would decouple the state tax code from the federal one.

- [\*\*New Jersey Leads Blue-State Defiance of Trump Tax Law SALT Deduction\*\*](#)

Democrats in New Jersey are moving at a lightning speed to institute one of the boldest workarounds of the new Republican tax law, potentially setting up the first tax showdown between high-cost states from coast to coast and the Trump administration.

- [\*\*Small-business confidence hits record high in 2018 after Trump tax-reform win\*\*](#)

Small businesses are still figuring out how tax reform will affect their plans for the future. CNBC reported optimism from small business owners following a CNBC/SurveyMonkey survey released Tuesday.

- [\*\*Despite Trump tax cuts, small-business owners won't increase employee wages\*\*](#)

About a third of small-business owners said they would use their — at the time, hypothetical — windfall to "pay down debt." In second place, 22 percent of small-business owners said they would "invest in new facilities, equipment or technology," and the third most popular choice (12 percent) was to "pay for maintenance or repair of existing facilities, equipment or technology." Just 10 percent said they would raise employees' salaries.



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